

HOUSE BILL 855  
By Johnson R

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 6, Part 3, to exempt certain low emissions  
vehicles from the sales and use tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-329(a), is amended by adding  
the following new subdivision:

(22) Hybrid-electric vehicles (HEVs) and vehicles that utilize alternative fuels,  
including hydrogen-powered vehicles, that are registered in Tennessee; provided,  
however, the retail sale of such vehicles shall be subject to the local option sales tax  
authorized by §67-6-702(a).

SECTION 2. This act shall take effect July 1, 2005, the public welfare requiring it.